

American Bakers Association

Serving the Baking Industry Since 1897

June 13, 2005

The Honorable Dennis Hastert Speaker U.S. House of Representatives Washington, DC 20515

The Honorable Nancy Pelosi Minority Leader U.S. House of Representatives Washington, DC 20515

Dear Speaker Hastert and Ms. Minority Leader Pelosi:

On behalf of the American Bakers Association (ABA), I am writing to reiterate our strong support for the implementation of the U.S.-Central America-Dominican Republic Free Trade Agreement (CAFTA) as quickly as possible.

ABA's membership consists of bakers and bakery suppliers who together are responsible for the manufacture of approximately 80 percent of the baked goods sold in the United States. CAFTA represents a very important agreement for the United States and the wholesale baking industry. In their own right, the six CAFTA countries already represent a large and growing market for U.S. exporters, the second largest in Latin America, and this is despite substantial tariff and non-tariff barriers to the U.S. farm products, goods and services. Given that the U.S. Congress has already substantially opened up our market to these countries unilaterally, it is time for the U.S. Congress to support opening up these important and growing markets for U.S. manufacturers, service providers and farmers.

Further, CAFTA is a much needed step to promote economic growth and continued stability in a region which only recently has fully embraced democracy, but continues to face substantial poverty, a lack of sustainable economic opportunities and the need to further internalize democratic processes and institutions.

ABA is also deeply concerned that efforts by most of the U.S. sugar industry to obtain a full exclusion from CAFTA or other accommodations will open the door to the withdrawal of important concessions for some of our products. We are also concerned that any exclusions in this agreement will pave the way for exclusions and counter-exclusions in future agreements, resulting in a downward spiral to the lowest possible level of mutual agreement – deals in which only non-sensitive commodities are included.

ABA is not opposed to affording the sugar industry appropriate treatment in trade agreements consistent with overall U.S. trade policy. However, such treatment must take into account the trade interests and long term well being of the American agriculture as a whole. Offering an exclusion for sugar from the CAFTA does not.

Again, ABA urges you to support the CAFTA-DR agreement. We will be communicating your votes with our members on this very important issue.

Sincerely

Paul C. Abenante President & CEO

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Cc: [Individual members, U.S. House of Representatives]